GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:1214
ANSWERED ON:09.02.2017
Funding Pattern of Privaqte Investors
Sawaikar Shri Advocate Narendra Keshav

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) the funding pattern of private investors in road development projects in the country;

(b) whether the existing policy of resource mobilization is working to the satisfaction of the Government; and

(c) if so, the details of resource mobilized during the last three years and if not, the steps proposed to be taken by the Government to improve the situation?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI PON. RADHAKRISHNAN)

(a) to (c) As per Model Concession Agreement (MCA) under Public-Private-Partnership (PPP) pattern of infrastructure development, the Concessionaire(s)/Contractor(s) is expected to raise project funding through infusion of equity and financial assistance provided by the senior lender by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments. Wherever applicable, equity support / grant is released by NHAI in accordance with the Concession Agreement. Under the MCA, the Concessionaire(s)/Contractor(s) raises funds for the project on their own.

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